

HUMAN SERVICES BOARD

INTRODUCTION

FINDINGS OF FACT

2. The petitioner applied for Food Stamps this winter and as part of her application had her resources evaluated. Her car was evaluated to see if it was above the \$4,650 limit for the value of a vehicle. She owns a 1996 Jeep Cherokee which has a blue book value of \$10,250. The Department used the blue book value and determined that the petitioner had a countable asset

of \$5,600. Since the program has a resource limit of \$2,000, the petitioner was found to be over income and was denied Food Stamps.

3. The petitioner, at the Department's invitation, obtained two other estimates of her car's value, one for \$8,175 and another for \$10,175. The Department was willing to accept the lower figure but still was obliged to count \$3,525 (\$8,175 - \$4,650) as a resource, an amount that is still in excess of the \$2,000 resource limit.

4. The petitioner appeals the decision of the Department because she does not feel it is just to count the value of the vehicle since she still owes \$16,000 on it. In her view, the bank that has the lien is the real owner of her vehicle. Her monthly payments on the car are \$384 and she has very little equity in it. She needs a dependable and reliable car to keep her job and cannot turn the car into cash to buy food for her children.

ORDER

The decision of the Department is affirmed.

REASONS

The Food Stamp regulations limit program eligibility to persons whose household resources do not exceed \$2,000. F.S.M. 273.8(b). Resources are defined as both liquid and non-liquid resources including "all licensed and unlicensed vehicles". F.S.M. 273.8(c (2)). Licensed vehicles are excluded if they meet certain criteria, including a primary (over 50% of the time) use for either producing income (such as a truck used for hauling) or transporting the physically disabled. F.S.M. 273.8(h)(1). No exemption exists for daily commuting to work or school or for transporting children.

The petitioner's car is sometimes used for transporting handicapped children but it appears much less than 50 percent of the time. Therefore, the petitioner's car must be included in the resource evaluation as follows:

All licensed vehicles not excluded under paragraph (h)(1) of this section shall individually be evaluated for fair market value and that portion of the value which exceeds \$4,650 shall be attributed in full toward the household's resource level, regardless of any encumbrances on the vehicles. For example, a household owning an automobile with a fair market value of \$5,650 shall have \$1,000 applied toward its resource level. Any value in excess of \$4,650 shall be attributed to the household's resource level, regardless of the amount of the household's investment in the vehicle, and regardless of whether or not the vehicle is used to transport household members to and from employment. Each vehicle shall be appraised individually. The fair market values of two or more

vehicles shall not be added together to reach a total fair market value in excess of \$4,650.

F.S.M. 273.8(h)(3)

The petitioner's plea that she cannot turn her car into cash to buy food is certainly factually true and her request to exclude the car as a non-liquid resource is logical. However, the above regulation makes it clear that the value of the petitioner's auto in excess of \$4,650 must be counted in spite of any encumbrances on the vehicle and in spite of the household's investment (or lack of investment) in it. Therefore, the Department's decision to deny eligibility to the petitioner is supported by the regulations and must be upheld by the Board. 3 V.S.A. § 3091(d). Fair Hearing Rule 17.

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